



Republican Policy Committee

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What Does "Families First Agenda" Mean?

Last month, the members of the President's party introduced a package of legislative proposals they call the "Families First Agenda," which they say is the plan their party would follow if returned to the leadership of the Congress next year. The proposals include "paycheck security," "health care security," "retirement security," "personal security" and "economic security" — which Senators from the other side of the aisle argue are legislative issues they not only themselves endorse, but in most cases have acted on. Majority-party Senators contend the Balanced Budget Act, the welfare reform bill, the health reform bill and others passed by this Congress (often with little help from the President's party) would accomplish much of the goals of "Families First," yet the bills have been either vetoed or stymied.

Three Senators offered their response this week to "Families First" on the Senate floor:

- Much of what this so-called agenda advocates would have been realized with the enactment of the Balanced Budget Act (originally called by its sponsors in 1993 the "Families First" bill), landmark legislation that included a \$500-per child income tax credit, elimination of the marriage penalty, welfare reform, and other reforms that would have assured that taxpayers keep more of their own hard-earned money. It was vetoed by the President last year, the same president who has yet to propose a real balanced federal budget of his own. What kind of personal and economic security can we provide for ourselves, much less our children, if we cannot balance the budget? How can we put families first when the obvious goal of this president's party is to put government first?
- Senators on both sides of the political aisle voted for the Health Insurance Reform Act, sponsored by Senator Kassebaum (R-KS). In fact, it passed the Senate 100-0 in April. The House had previously passed its health reform bill. Yet, because of obstructionist tactics by a senior Senator of the President's own party, this bill has not been allowed to advance to a House-Senate conference, and thus is blocked from becoming law.
- Believe what we say, ignore what we do: this seems to be the motto of the President and his party this election year. Americans might wish to avail themselves of the legislative record before they cast their votes in November.

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[See the attached pages from the July 10 and 11 *Congressional Record* for remarks by Senators Thomas (R-WY), Grams (R-MN), and Coverdell (R-GA).]

budget included a \$500 per child tax credit, it included anticrime initiatives, it included welfare reform, it included market-based health care reform, indexed capital gains. Our friends opposed it. They said, "We can't do that."

That budget would have been putting families first, giving an opportunity for families to do the things for themselves that we think they ought to do—putting families first. I guess all I can say is I am really getting exasperated with this process of ours where the idea is to see how much you can spin and how much you can talk and how much you can say but not do anything about causing it to happen.

It is almost cynical that we have now the most technical, greatest opportunities to communicate so people can have input into their own Government and, at the same time, it is more and more difficult to really understand what people are for. And as this election comes up, that is what we ought to be deciding: What direction do we want this country to take, not what people are going to say but, in fact, what they have done.

The records do not match this kind of rhetoric. President Clinton opposed the balanced budget amendment. Those folks all voted against a balanced budget amendment, practically all. The President vetoed the first balanced budget in a generation. That is the walk, that is not the talk. We have had that this year.

Most of us came to the Senate and said voters told us very clearly, "We have too much Federal Government, it costs too much and we're overregulated," and we have tried to change that.

Frankly, the Democrats have done all they can do this whole year to keep things from happening. We had an opportunity and we still have an opportunity: the first balanced budget in a generation to reduce the size of Government, telecommunications reform happened this year, line-item veto happened this year. It never happened before. Congressional accountability, product liability. We have done those things, and we were able to achieve some of these goals, understanding that Washington is part of the problem, not, indeed, part of the solution.

So, Madam President, I have been very impatient with this idea of getting up and making all these great speeches about things we are for, and then when we have an opportunity to do it, we have an opportunity to put it into place, then all we find is opposition, all we find is, "Well, I'm for a balanced budget, but I can't be for this one."

"I'm for welfare reform, but I can't be for this one."

"I'm for sending Medicaid back to the States some more, but I can't be for this one."

That is what we have heard the entire year, and continue to hear that.

Now they come forth with the families first agenda, promoting most of

the things they have opposed throughout the year.

Madam President, I just find it frustrating, as you can probably tell. It is time that we begin to measure performance rather than measure rhetoric. We have an opportunity to do the things that we set out to do this year. We still have an opportunity to do it. We have an opportunity to have medical reform, we have an opportunity to have some welfare reform, we have an opportunity to balance the budget, we have an opportunity to reduce the size of Government, we have the opportunity to have some tax relief.

Which of those things have been supported on the other side of the aisle? None. But then they have an agenda, an agenda because that is what the polls say, and that is what it sounds good to say to people. It does not matter that it is not going to happen. It does not matter that they are not walking the walk, it is just talk the talk.

I suppose this is fairly harsh stuff, but I can tell you, I have watched this go on now for some time, and it continues. Of course, as we get toward an election year, it becomes more and more heightened in terms of the rhetoric that is there.

So I hope that as we make some of the changes that need to be made in this Government, a government of the people and people deciding, making decisions—that is what elections are about, talking about what direction this country will take, and we have an opportunity to really measure performance, not rhetoric, and that is what we have an opportunity to do.

Madam President, let me yield to my associate from Minnesota.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

WORKING FAMILIES DESERVE SOLUTIONS, NOT SLOGANS

Mr. GRAMS. Madam President, we have heard a lot of talk from Washington recently about the hardships that are facing working Americans. Tax rates are up, job opportunities are down, interest rates are rising while paychecks are shrinking and take-home pay is not going anywhere at all. But the families trapped on this economic seesaw are feeling anxious and unsure about the future, and they are looking to the Federal Government for some change.

Most everyone agrees that a fundamental responsibility of Congress and the President is to try to help ensure greater opportunities for working Americans, so men and women can seek better jobs that will lift their standard of living, and the real debate going on in Washington today centers around just how that should be accomplished.

The Democrats in Congress are saying the answer is to simply raise the minimum wage. But that is a political

MEASURE PERFORMANCE RATHER THAN RHETORIC

Mr. THOMAS. Madam President, we wanted to visit just a little bit about the program that has been set up by our friends on the other side of the aisle. I am delighted that there has been some kind of effort to put together an agenda. I think it goes to indicate a little bit about the differences that we have, in terms of solving problems for this country; differences that we have in terms of how we see the role of the Federal Government in our lives and, really, an issue about this whole matter of the end of big Government.

It is interesting. The Prime Minister this morning quoted the President and so on, saying "The era of big Government is over," yet our friends on the other side bring out an agenda that describes all the things that the Government is going to do. I have to tell you, I am a little impressed with the notion that it is a matter of some spinning for political purposes, rather than talking about what we really want to do.

The Democrats come out with an agenda to do something at the same time they are keeping from happening all the things practically that we decided to do this year. It seems to me it is a transparent kind of an idea of talking about it but not doing. Walking the walk? No. Talking the talk? Of course. And that is where we are.

So I really think we ought to challenge our friends over there to really take a look at what is happening here, and if they are talking, really wanting to do what they are saying, let us do it. Let us talk about health care. My friends on that side have not even allowed us to appoint conferees, to do something with the health care program that is there and ready to be passed.

Our friends talk about balancing the budget. The Democrats were in charge of this place and the House for 25 years and never balanced the budget. Now the agenda is: Balance the budget.

Madam President, when you and I were in the House, we had a budget called "Putting Families First." That

smokescreen that flies in the face of reality, an attempt to mask a 40-year record of voting for policies that have actually lowered family incomes.

The truth is that most minimum wage positions are either part-time jobs that are held by students, entry-level jobs for young people who are just trying to get into the work force, or second jobs held by men or women whose spouse is the primary breadwinner.

Raising the cost of doing business by raising the minimum wage is probably going to mean even fewer of those jobs. Some statistics say as many as 600,000 of those jobs will be lost, killing work opportunities for young people and those families who depend on that second income.

Besides artificially inflating salaries by hiking the minimum wage, it ignores the real concerns of many working Americans, working Minnesotans. Yes, they want better jobs that pay better salaries, but they have told me repeatedly that what matters most is not how much you earn but how much of your own paycheck you are allowed to keep after the Federal Government has deducted its taxes.

We have debated the issue and put the issue of minimum wage to rest by passing that legislation yesterday. Yet, the issue of tax relief for families has been virtually ignored in the Democrats' ideas recently in their recently released blueprint for their 1996 campaign season that they have entitled "Families First."

They are billing their plan as a roadmap for the future of their party. Congressional Democrats have not created an agenda for change but have instead produced a byproduct of some ambitious political polling. They say that they are in favor of education, in support of welfare recipients working, and helping families and helping children. In other words, if a majority of Americans told the pollsters they liked it, then according to the Democrats, they like it, too. "Some people say it is a tiny agenda, it is too modest or too bland" . . . and my answer is that whatever it is, it is what people told us is their concern now. And these are the words of House Minority Leader RICHARD GEPHARDT, in what really was a surprisingly forthright nod to the power of election-year polls.

Let me say again what RICHARD GEPHARDT said. He said, "Some people say it's a tiny agenda, it's too modest or too bland" . . . Mr. GEPHARDT went on to say, "and my answer is that whatever it is, it's what people told us is their concern now."

Again, the results of their polling.

This tiny agenda, however, comes with a massive price tag. Paying for the families-first promises could cost American taxpayers an additional \$500 billion over the next 6 years. While the document is so intentionally vague that computing a precise cost estimate is next to impossible, it is clear that the cost would be enormous, especially

if you add that new cost onto the \$265 billion tax hike imposed by President Clinton and the Democrat-controlled Congress in 1993.

If the families first title sounds familiar, well, it ought to because back in 1994, Republicans in the U.S. House championed a proposal we called "Putting Families First," which I introduced along with Congressman TIM HUTCHINSON of Arkansas.

We introduced the families-first bill in 1993; and in 1994 it became the Republican alternative; and in 1995 we worked it into our first balanced budget that we sent to the President last year. So the families first title is not new.

Unlike the Democrats' families first, however, it was not a political statement, it was not a statement that we conjured up to coax voters in an election year. Our plan, our families-first version, was a well-reasoned alternative budget proposal that was specifically crafted to create new opportunities for working Americans, to give them those job opportunities and the better pay that they are talking about.

The heart of our plan was a \$500 per-child tax credit that would benefit 529,000 Minnesota families. Nearly \$50 million a year in tax savings would go just to the residents in my State of Minnesota. That is far more than the 12,000 heads of households in Minnesota who would be eligible for the boost in the minimum wage, according to data compiled by the Joint Economic Committee.

So what would have done more good? It would have been better to pass some of the tax relief that we have advocated and called for rather than a smokescreen of just a small portion in the minimum wage. Putting families first sought to further strengthen families by reforming the broken welfare system, combating crime through new get-tough initiatives, by offering sensible health care reform while reducing the deficit by \$150 billion. Republicans in both the House and the Senate embraced it as our alternative to the big taxing, big spending budgets of the past.

As a potent prescription for dramatic change, putting families first offered a strong defense of the American family. The Democrats' version of families first is a placebo, a lackluster concoction that will masquerade as some new medicine, but in reality it offers no cures.

Republicans followed through on putting families first by passing budgets in 1995 and 1996, balanced budgets, that built on that strong foundation. We have pledged to continue to fight for the \$500 per-child tax credit, for additional tax relief to make it easier for businesses to be able to create those better paying jobs, and a balanced budget that will reduce interest rates and the amount that a family has to pay on their mortgage, on their car loans and student loans.

Minnesota families deserve solutions, not a lot of empty slogans. If the

Democrats are serious, if they are serious about trying to ease the tremendous burden faced by American workers, then they will drop the campaign theatrics and they will help join the Republicans in truly putting families first by turning our promises into law. I think they deserve nothing less than that.

I thank you, Madam President, and I yield the floor. If there are no other speakers, I suggest the absence of a quorum.



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PUTTING PEOPLE FIRST

Mr. COVERDELL. Mr. President, I had an interesting presentation here this morning, built around what apparently is going to be a Presidential campaign theme, putting families first. Mr. President, we cannot but be reminded of a book written by President Clinton and Vice President GORE which was a prelude to the 1992 Presidential campaign. The book, Mr. President, was entitled "Putting People First," very, very familiar to this new theme we have heard here this morning, putting families first.

I will read from this publication, "Putting People First," now almost some 4 years old, a very interesting piece on page 15 of "Putting People First." It says, "Middle-class tax fairness." Now, this was the President's "contract with America," putting people first.

He says, "Middle-class tax fairness: We will lower the tax burden on middle-class Americans by asking the very wealthy to pay their fair share." I repeat, "We will lower the tax burden on middle-class Americans . . . Middle-class taxpayers will have a choice between a children's tax credit or a significant reduction in their income tax rate."

It goes on to say, on page 101 "Treat families right," in this book entitled "Put People First." It says, "Grant additional tax relief to families with children."

Mr. President, since the publication of the book and the election of President Clinton, the average American family is paying somewhere around \$2,000 to \$2,600 in additional taxes out of their checking account as a result of the election of President Clinton. Corporate taxes are up 55.4 percent and personal taxes are up 25.3 percent. In other words, the exact opposite has occurred since the publication of the President's book, "Putting People First."

It does begin to raise some pretty serious questions as to what do they mean when they say "Put families first." If they mean the same thing

they meant when they published "Putting People First," every American taxpayer better duck, because the promise to lower taxes became an action of increasing taxes to the highest level in American history.

I read from an editorial published by Bruce Bartlett: "Last week I disclosed that total taxes, Federal, State, and local, as a share of gross domestic product were the highest in U.S. history in 1995 at 31.3 percent. In 1992, total taxes as a share of GDP equaled 30 percent. In other words, it is up 1.3 percent." That is just a huge, huge sum of money.

Mr. President, the Federal tax take is expected to shoot up this year by another 5.4 percent. Mr. President, the book "Putting People First," promised to lower taxes, and resulted with the election. The American people elected President Clinton based on these promises, and what happened to them was that they were confronted with the highest tax increase in American history.

Over a 7-year period, it was almost \$500 billion. That translates to an individual family, since President Clinton has been elected, in having to pay another \$2,000 of Government costs. The cost of Government has been pushed out another 3 days. American families, today, work from January 1 to July 3, giving July 4 in America today an extraordinary meaning.

Mr. President, in 1992, we were promised, in "Putting People First," that taxes would be lowered. As I have said here over and over, as have others, taxes were raised and the effect was to reduce the amount of income in families' checking accounts. Now we come forward this morning with a promise to put families first, and an outline of a series of programs that represent and policy goals that purport to say what putting families first means.

Mr. President, according to the House Budget Committee and the Congressional Budget Office, this new agenda of putting families first could cost another \$500 billion. So if you combine putting people first with Families First, you are going to end up with families finding themselves with less and less resources in their own checking accounts to do the kinds of things they are supposed to do. Putting people first lowered their checking accounts by about \$2,500, and now we are told we will put families first, and we are going to have another \$2,500 out of your checking account.

Mr. President, you know, if you really want to put families first, or people first, it really is not all that complicated. Mr. President, what is a very simple and clean cut goal for everybody in the Congress, whether you are Republican, Democrat, or an Independent, it is pretty simple. We ought to set as a goal trying to leave in the neighborhood of around \$7,000 in the families' checking accounts instead of pulling it and shipping it off to Washington. The Balanced Budget Act, which

was passed by this congressional majority, went a long way toward accomplishing that goal. That act would have put between \$2,000 and \$4,000 into the checking accounts of every family, lower interest rates, lower payments, and tax savings. It would have accomplished about half of a meaningful goal. If we want to put families first, we ought to leave the money with the families who earn it. We ought to leave them the ability to do the kinds of things they want to do to set their own priorities.

Mr. President, let us take a look at this average family. I have a pretty good idea in the State of Georgia, and I think that is probably about the case all across the country. Mr. President, the average family in Georgia makes about \$45,000 a year. Today, by the time they have paid their Federal taxes, by the time they have paid their State and local taxes, by the time they have paid their Social Security and Medicare taxes, by the time they have paid their share of the higher interest rates on the national debt, by the time they have paid their share of the cost of Government regulation, they end up with less than half the total income that they earn to take care of their families.

Mr. President, that is inexcusable—the fact that we have come to the point in the United States that the Government takes over half of the hard-earned wages of a working family.

Now, I argue that that policy has had a very negative effect on the American family. I argue that there is no force in America, including Hollywood, that has so affected the average family as their own Government. It is not complicated. If the Government is going to take half of everybody's paycheck and move it to Washington to be wonderwonked by the wizard bureaucrats here to decide what the priorities are, you have pushed the family to the wall. So the suggestion we are hearing from the other side is let us take more out of that paycheck, let us design a group of new programs that we will plan here in Washington to manage your family. I think families first needs a little asterisk that says, "as designed by the Federal Government."

Our argument would be to leave the wages earned by a family in the checking account of that family, and let them decide what the priorities of that family ought to be. A meaningful objective would be, if you really want to put families first, to leave the wages they earn in their checking accounts.

Now, Mr. President, the efforts on the part of the congressional majority, the Republican Congress, were to do just that. We did put families first. We did have tax credits for children. We did remove the tax penalty for being married. We did help people on Social Security. Every action we took was to leave more resources in the checking accounts of the families. That is how you put families first—leave the resources with them so that they can manage their affairs.

We read over and over that the American family is anxious today, that there is a deep anxiety in the families. Even at a time when we have a reasonably decent economy, they are still very worried, nervous, and bothered. Mr. President, it is because we are not leaving enough resources in that family. We are not leaving them the resources to do the things they are supposed to do. America counts on the American family to get the country up in the morning, to house it, to school it, to feed it and shelter it, to take care of its health, to provide for the spiritual growth necessary to take on and lead the country, and we have made it virtually impossible for the family to do the job that America asks of it.

The other side has come forward, as a follow-up of putting people first, which really meant we are going to tax you more. That is what this book ended up doing. It ended up reducing the resources in the average family by about \$2,600. Now we get families first. We are told by the Congressional Budget Office that all that array of Government management of the American family will cost them yet another \$2,500 to \$3,000. That is going in the wrong direction. Every proposal we have had from the other side, whether it is under the label of putting people first, or the label of families first, the bottom line is that Washington is first. Washington is first. We are going to design the way you run your family. We are going to design a program that manages your health care. We are going to design a program that manages the relations between you and your employer. But most of all, we are going to tax you more. So we have come to the point, between putting people first and families first, of the highest tax level in American history, and the highest tax burden on families in American history.

So if you are going to put the family first, it is pretty simple: Lower their taxes, and leave more resources in their checking accounts. Look at the comparison, Mr. President. Just look at the comparison. They come up with putting people first, and every family pays an additional \$2,500 in taxes. The Republican majority came up with the Balanced Budget Act. The Balanced Budget Act would have lowered the pressure on that family between by about \$2,000 and \$4,000, depending on who the family was. Lower interest payments and lower tax levels across the board, more resources in the family. We are coming to a new election. We have a new program entitled "Put Families First," and we look at the tab of what that is going to cost—another \$2,000 to \$3,000 for each American family. I argue, Mr. President, that that has the exact reverse consequences.

Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. COVERDELL. Mr. President, in conclusion, I just wanted to underscore

that the only way we are going to relieve the burden on the American family today is to lower the tax level and allow them to keep the wages they earn, which allows them to fulfill the duties and responsibilities that they have.

I argue that both putting people first, which resulted in the largest tax increase in America history, and now followed by putting families first, which will call for yet another tax increase, is not the prescription for the American family.

If you look at the last 25 years and what has happened to the American family, as its tax level has pushed upward and upward, you have seen increasing behavior and increasing conditions in the American family that are the exact opposite of that which we would like to achieve.

If you really want to say put families first, then lower the economic burden, lower the economic pressure, and let the wage earner keep their wages, and let the wage earner and family do that which they set as their own priorities of the American family.